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SUBJECT: Government-NGO Cooperation Expanding in Guangxi

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¶1. (SBU) Summary: International nongovernmental organizations (NGOs) willing to register and observe a limited set of rules and limited supervision have generally found willing government partners in the Guangxi Zhuang Autonomous Region. The financial benefits of cooperating with NGOs are not lost on Guangxi's cash-strapped local and regional governments. Government officials focusing on poverty alleviation and other social problems look to NGOs to help manage programs currently handled by the government. While NGO representatives and government officials alike tout the current favorable environment for cooperation, they certainly don't downplay problems, including tight government control of donated monies and the political sensitivity of certain issues like trafficking in persons. End summary.

Register, Register, Register

¶2. (SBU) Once officially registered, NGOs in Guangxi find themselves relatively free to operate. A representative from Habitat for Humanity's Nanning office said that government was "generally hands off" in its dealings with the NGO, noting that the government does not obstruct or intervene in Habitat's projects and sometimes offers support. The representative speculated that the reality of Guangxi's poverty made government-NGO cooperation less an ideological wrestling match and more a straightforward imperative, a sentiment we heard repeatedly from NGOs and government officials alike during our meetings.

Cost Sharing and a Change of Perspective

¶3. (SBU) The financial benefits of cooperating with NGOs are especially attractive to Guangxi's cash-strapped governments, according to Yang Guoyi, deputy section chief of the Guangxi Government's Poverty Reduction Program Center. A colleague of Yang's who also attended the meeting said that NGOs generally provide 30 percent of a project's funding, with the government making up the remaining 70 percent. World Vision began a project in 2008 where costs were shared evenly with the government. Yang's colleague characterized this arrangement as a positive development and went on to say that Guangxi's Poverty Reduction Program Center hoped that government could pass the lead role for most social programs to NGOs or community organizations and become primarily a provider of services.

¶4. (SBU) Working with NGOs to address social issues has helped to broaden the government's perspective on what roles NGOs can play in society. In the past, local government mandated what communities

would do to solve problems or improve conditions. Government now increasingly consults with communities to determine needs, according to Yang, and NGOs have been valuable in encouraging local communities to actively promote customized, grassroots ideas for addressing community problems.

¶5. (SBU) Cooperation with Guangxi government entities on health issues such as HIV/AIDS involves both formal and informal interaction, Family Health International (FHI) Director Wu Xiaokun told us in a separate meeting. In an effort to design effective anti-AIDS programs, FHI -- which is a registered NGO -- consults with the Guangxi Center for Disease Control (CDC), which provides basic treatment and free checkups for HIV/AIDS infected patients. FHI's cooperation extends to annually providing the government with the money, supplies and expertise needed to treat 1,600 drug users and 1,200 female sex workers, according to Wu. Informally, the local Public Security Bureau (PSB, or police) "keeps an eye out" for opportunities for FHI to provide its services, said Wu, who added that the PSB sometimes released detained sex workers to FHI for treatment. The released sex workers are not necessarily fined by the police, said Wu.

¶6. (SBU) World Vision also cooperates with the Guangxi CDC on anti-AIDS awareness campaigns and treatment programs, said Pang. It arranges for volunteer students from the medical and pharmacology schools at Baise Medical University to provide additional expertise and manpower as well.

Still, Not Everything is Easy

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¶7. (SBU) Though NGO-government relations in Guangxi are generally positive, NGOs cite financial control as one area for improvement. Officially registered NGOs are permitted only limited use of a local bank account, which may only hold funds used to pay for the organization's overhead, according to one NGO representative. All other funding must move directly through the government's coffers before it gets doled out to pay for projects, the rep said. Because of these rules, NGOs' local offices are unable to accept donations directly. Moreover, NGOs pay one percent of their total funds to the government as a "service fee."

¶8. (SBU) The sensitivity of certain issues, too, remains an obstacle -- but not necessarily an insurmountable one -- said Pang. Pang quickly deferred to Yang, the government's representative, when asked about World Vision's anticipated program to battle trafficking in persons (TIP). Pang called TIP a "sensitive issue" and said that the government would take the lead in such a program. Nonetheless, Pang said that staff at World Vision's Hong Kong office was "researching" the issue, suggesting that, if approached with appropriate consultation with the government, a TIP program could become viable.

¶9. (U) This cable is a cooperative effort between Consulate General Guangzhou and Embassy Beijing.

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